

CITY COUNCIL REPORT  
PUBLIC

DATE: 9/16/15

TO: Mayor and Councilmembers

FROM: Andy Wagemaker, Revenue Director

CC: Josh Copley, Barbara Goodrich, Jerene Watson, Leadership Team

SUBJECT: Remittance Processing (Utility Bills/Miscellaneous Bills)

This is an informational item regarding the City's new remittance processor.

**DISCUSSION**

The City currently handles all remittance processing (bill payments) internally within the Customer Service area. There are approximately 6,000 mail payments processed each month by Customer Service staff. Under a new contract with CDS Global, the City will outsource remittance processing. Some of the benefits to the outsourcing of remittance processing include:

1. Phone support- Instead of staff dedicating time to remittance processing, staff will be available to answer phone calls in a timelier manner.
2. In-person support- Instead of staff dedicating time to remittance processing, staff will be available to help walk-in customers in a timelier manner.
3. Technology- CDS Global will handle all technology issues. Currently, when a problem arises with hardware or software associated with remittance processing, staff must dedicate time to troubleshoot the problem. This time interferes with processing the mail, providing phone or in-person support, and completing other tasks that arise.
4. Cost- There is no net cost increase for this service. The additional costs to outsource this service were reallocated from within the Revenue Section.

The main difference customers will notice is the payment address. In the future, all bills will be sent directly to a City owned PO Box in Prescott, Arizona. CDS Global operates a processing facility in Prescott and will process City of Flagstaff payments at that location. Utility bills will continue to be delivered to customers using the City address and logo in the sender portion of the envelope.

**RECOMMENDATION / CONCLUSION**

This report is for information only.